

Canada shore of Lake Erie, and is a total loss. She was built at St. Catharines, in 1849, by L. Shickluna, measured 150 tons, rated B 1, and was worth about \$1,800.

The schooner *Kate Kelley*, grain loaded, went ashore at Sand Hills, seven miles below Clay Point, Lake Erie, on the 2nd inst., and will prove a total loss.

About fifty vessels entered Buffalo on the 2nd and entered protests—most of the damages to the vessels being comparatively light, and confined to canvass and upper works. Quite a quantity of grain was wet.

The schooner *Succopstakes* lost all her canvass but her light sails.

The schooner *Frontier City* was struck by the gale off Ashtabula. She put back, and reached Buffalo in a leaky condition. She has discharged her cargo.

The schooner *C. C. Trocbridge* lay four hours with the sea making a clean sweep athwart her decks, and her port bulwarks completely stove.

Captain McKee, of the schooner *J. Beigler*, reports passing, Saturday noon, the barges *Empire* and *Michigan*, water-logged and abandoned, about twelve miles off shore, near Grand River. The load of the *Empire* remained intact, but both were drifting rapidly toward the north shore, where they would stand a very small chance of hanging together long in the storm that was then raging.

The brig *William Fisk* came into Buffalo with her canvass badly damaged, as did also the bark *Harvey Bissell*.

At Whitby, on 31st ult., the schr *H. N. Todman*, of Wellington, while running into harbor for shelter took a turn the wrong way, and went behind the west pier, where she pounded considerably. Fortunately for her, the gale subsided, and she got off all right.

The schooner *St. Paul*, with a cargo of coal, grounded on the 31st Oct., in the river below Detroit, and was got off by the tug *Hector*, after several hours' detention.

The schooner *Kelly*, grain loaded, was driven ashore seven miles below Port Burwell during the late gale, and has gone to pieces. The *Kelly* had a cargo of 15,800 bushels of wheat, shipped by Milwaukee parties and consigned to Oswego. It is insured in the *Etna* and *Home* Companies for \$26,000. According to the register, the measurement of the *Kelly* is 350 tons, rate A 2, and value \$16,000. She is owned in Oswego by Messrs. Hayes and Kelly—the latter commanding her.

(ADVERTISEMENT.)

COMMERCIAL UNION ASSURANCE CO'Y.

CAPITAL \$12,500,000
INVESTED FUNDS, UPWARDS OF 2,600,000

Chief Offices.—19 & 20 Cornhill, London, England.

Chief Offices for Canada.—385 & 387 St. Paul St., Montreal.

GENERAL AGENTS:—MORLAND, WATSON & Co.

SPECIAL NOTICE.

All Policies effected this year will have a full Bonus at the next declaration of Profits.

The following are Examples of Bonus declared at the division of Profits, 31st December, 1857.

No. of Policy.	Effected in the Year.	Age at Entry.	Sum Assured.	Bonus Added.	Annual Premium.
1,602	1865	20	\$1,000	\$65	\$19 41
570	1863	30	5,000	545	123 54
1,505	1865	40	25,000	1,655	802 08
297	1863	50	15,000	1,650	657 50

NOTE.—The Policy-holders had the option of receiving in lieu of the above Reversionary Bonus,

(2) an equivalent in Cash, (3) of having a large accumulated Bonus payable if the expected average age be attained, or (4) of having the Policy payable on attaining a certain deferred age, although effected at the ordinary rate of premium: thus, the holder of Policy No. 297 had the offer of £173. 10s. (\$867.50) cash paid down in lieu of the bonus of \$1,650 added to his policy, or of having a Bonus of \$3,800 added to his Policy if he lived 16 years and attained the age of 71; the holder of Policy 570 had the offer of having his Policy payable on attaining the age of 72½, in respect of the 1867 Bonus only:—at each successive division of profits an earlier age would be named for the payment to him of the sum assured.

The following are the advantages offered by the *Commercial Union*.—(1) PERFECT SECURITY.—The Life Policies in addition to their own separate Trust Fund amounting on the 31st December, 1867, to £169,623 (848,115.00) have the security of a guaranteed Capital of upwards of £2,000,000 (\$10,000,000), and the invested assets of the Company, irrespective of the Life Funds, amounts to upwards of £350,000 (1,750,000.00). (2) LARGE RESERVES.—The valuation of the *Commercial Union* was made on safer principles than that of any other office doing business in Canada. The rate of interest for the future investments of the Life Branch was assumed in the calculations at only 3 per cent., whereas an average of 5 per cent. had been made of the Life Funds during the previous 5 years. The net or risk premiums only were assumed, and the value of the margin reserved for future expenses and profits, was nearly 3 times as large as the bonus declared. The rate of future mortality assumed was higher than by the *Carlisle* Table although the previous experience of the office was more than 50 per cent. under the *Carlisle*, showing the first class character of the business transacted by the Company. (3) BONUS.—A greater number of ways of receiving the Bonus are offered for the option of Policy holders than by any other Company. The above table giving examples of Bonuses at various ages speaks for itself. No other Company can produce so good a table. (4) ECONOMY.—The maximum expenses of management are guaranteed by the Company not to exceed a small per centage of the premium income. The average rate of expenses, including commission paid to Agents, was under 13 per cent. for the last 5 years. (5) PROMPT SETTLEMENTS.—Claims are paid one month after proof, instead of three months, the usual time stipulated for by other offices. (6) CURRENCY.—All settlements are made in Sterling.

Remarks on the advantages offered by the *Commercial Union* contrasted with other Institutions.—

(1) AMERICAN OFFICES.—The rapid growth of these offices is well known, but as the Hon. J. E. Sanford, the Insurance Commissioner of Massachusetts, remarks in his report for 1867, the magnitude of these offices enforces the enquiry—one which is of profound interest to their Policy-holders. "Whether these companies are, after all, funding enough to meet their enormous future obligations, or whether—between the ambitious struggle to pay large dividends to the assured, on the one hand, and the temptations to pay large commissions to agents, large salaries and perquisites to officers, and large Royalties to Stockholders, on the other,—the bottom of the fund may not be reached at some day, more or less distant, with a deficiency of a few hundred millions of dollars unprovided for?"

That these offices are open to doubt may be inferred from the condemnation of the practice of some of them by Mr. Barnes, the Insurance Commissioner of New York, and Mr. Sanford before referred to. It appears that in the assets are sometimes included commuted commissions paid to agents. Mr. Barnes speaks of such assets as of a "fictitious character;" Mr. Sanford terms them "unreal assets."

Mr. Barnes draws attention with regret to the tendency to accumulate a considerable portion of

the assets in premium notes, and points out the serious diminution of the cash reserve of realized assets held by note companies. If the accounts of the American Office be examined, the object of these remarks by the American Commissioners will clearly appear; take for instance the *Etna* Office:—

The gross assets are given as..... \$7,599,698.

But of this amount the sum of... 4,171,883,

is represented by premium notes or unrealizable assets. Only \$316,450, less than 1-20, are invested in loans on mortgages (first liens), while upwards of \$700,000, are invested in various Bank stocks. Considering the large number of Banks which fail in any long period of time, such investments can scarcely be considered safe for money held in trust to meet payments which may not become due for 30 or 40 years. But there are other objections to which American Offices are open. Since the suspension of specie payments, the sum assured by policies has been reduced 30 per cent and upwards. Those who effected policies for \$1,000 previous to the war, and paid the corresponding premium, would in the event of death, now receive \$1,000 in Greenbacks, which are only equal to about \$700 Canadian currency. During the war between the North and South, it is well known that the policies of the Southerners, no matter how old their standing, were forfeited, and their premiums, paid over many years, were sacrificed. If war should ever arise between Great Britain or Canada and the United States, is it probable "Britishers" would be treated differently by the American Offices? Policies upon which, it may be, 20 or 30 years premiums had been paid, would be liable to forfeiture.

(2) ENGLISH OFFICES.—The rates of the *Commercial Union* will be found somewhat lower than most of the English offices. The valuation was made according to principles which give a larger reserve than the method used by other offices. The accounts and balance sheet are published, and more information is given than by any other English Life Office.

(3) CANADIAN OFFICES.—The *Canada Life* Office gives in its prospectus a comparison between the rates charged by English offices and themselves, but omits to compare the bonuses. We propose to supply the deficiency: To compare policies of the same standing: *Canada Life* Policy No. 3376, effected in 1861 for \$8000, obtained in 1865 a bonus of \$433.21. *Commercial Union* Policy, No. 576, effected in 1863 for \$5000, obtained in 1867 a bonus of \$545.00, that is to say, a larger bonus than a policy in the *Canada Life*, effected for \$3000 more in amount. If both policies had been for \$10,000, the *Canada Life* bonus would have been \$541.51, while the *Commercial Union* bonus would have been \$1,090.00, more than double that of the *Canada Life*. If the premiums be compared it will be found that at age 30 the premium for \$10,000 is \$223.00 in the *Canada Life*; in the *Commercial Union*, \$247.08—a difference in premium on the five years of \$120.40, while the difference in bonus was \$548; or, to deal with present values, the *Commercial Union* would give for their bonus \$385.00 cash, while the bonus of the *Canada Life*, at the same rate—a liberal assumption we venture to believe—would realize \$191.27—a difference in favour of the *Commercial Union* of \$193.73; thus the policy holder in the *Commercial Union* would be the gainer, in five years, of \$73.33 (cash) over the holder of the *Canada Life* policy.

The *Canada Life* Office states that its funds, while yielding more remunerative returns, are yet invested with equal security. It is true the interest realized by that Company last year was six per cent. as compared with five per cent. of the *Commercial Union*, but if the account published this year be referred to, it will be seen that a large sum had to be written off for losses by investments. But this difference in the rate of interest is not, even if the investments were equally safe, as far as the bonus is concerned, of such importance as